

SYSTEM AND METHOD FOR EVALUATING STRATEGIC BUSINESS ALLIANCES

ABSTRACT OF THE DISCLOSURE

5 A computer-implemented system is capable of evaluating the net present
value (NPV) of a product development program having a number of strategic alliance
components, such as guaranteed research payments, royalty payments, milestone
payments, and the like. The evaluation system is iterative in nature – it calculates an
overall NPV for each simulation iteration and generates statistical distributions that
10 reflect the mean and median NPVs. The evaluation system allows the end user to
designate specific deal structure terms prior to the simulation. Alternatively, the
evaluation system can generate default or suggested development and/or sales
assumptions based on historical or empirical clinical data related to actual product
development programs.